

AGN. NO. _____

MOTION BY SUPERVISOR DON KNABE
COUNTYWIDE FINANCIAL AUDIT

August 19, 2003

The accounting firm KPMG issued their Independent Auditor's Report on the Los Angeles County's financial statements for the year ended June 30, 2002. The report indicates that the County's financial statements present fairly the County's financial position. In conjunction with the annual audit of the County's financial statements, KPMG issued their internal control report on the County's operations for fiscal year 2001-2002 and their report on grant compliance or the Single Audit.

While no material non-compliance or internal control weaknesses were noted, KPMG identified areas and made recommendations where the County can improve operating efficiencies and strengthen the internal control structure.

- M O R E -

MOTION

MOLINA	_____
YAROSLAVSKY	_____
KNABE	_____
ANTONOVICH	_____
BURKE	_____

I, THEREFORE, MOVE that the Board of Supervisors:

1. Direct all affected departments to implement KPMG's recommendations;
2. Direct the Auditor-Controller to coordinate the affected departments' response and report back to the Board within 120 days on the status of each recommendation.

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SS:gr